# BASICS TRIP REPORT

### USAID WAR VICTIMS' FUND LAOS COUNTRY PROGRAM EVALUATION

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# USAID WAR VICTIMS' FUND LAOS COUNTRY PROGRAM EVALUATION

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#### I. SUMMARY FINDINGS

The purpose of the evaluation is to judge whether USAID supported activities for physically disabled war victims in Laos are well-suited to the purposes of the War Victims' Fund. A second purpose is to derive lessons and to gain perspective for a comprehensive assessment of the world-wide war victims program. Specifically:

A. Does the selection of activities match well the needs of war victims in Laos?

Yes. In the provinces receiving assistance from the War Victims' Fund, the effects of many years of wars was widespread. Particularly during the period 1968 to 1973, fighting was intense and bombing was extensive and indiscriminate. Civilians and soldiers were victims; the bombing spread anti-personnel explosives across the landscape. In many areas, people left their home villages. As a result, the definition of war victims in Laos includes all the population in war-torn areas. World Vision has directed assistance to whole communities, especially if there are amputees and war-injured people in the community.

1. Are there significant numbers of war victims with needs other than those provided in the program?

USAID and World Vision have not pushed the government on the question of whether there are significant numbers of war victims who are denied or not sought out to receive benefits. The UN High Commissioner for Refugees is administering a \$10 million fund to resettle hill tribes people from camps across the border in Thailand to the northern provinces in Laos. Many of these people received assistance from the U.S. to fight the current government during the sixties and early seventies. Many fled the country between 1973 and 1984. The State Department has provided \$700,000 to this fund. The handling of these refugees was not addressed in the evaluation.

2. What were the main consequences of the war for people in the area? Do the project activities redress those needs?

The war forced many people in the northern provinces, which are being assisted by the War Victims' fund, to leave their villages. The disruption was most intense between 1968 and 1973; land battles and carpet bombing were directed at civilians as well as military targets. Among those who survived, substantial numbers were injured and traumatized by the fighting or bombing. Most draft animals were killed during the war, or afterwards by explosive mines deposited throughout the country side. Unexploded ordinance continues to be a hazard, albeit now declining, for rural residents.

3. Do USAID-funded activities fit well with national/provincial activities or activities supported by other donors?

Aside from the UNHCR program mentioned above, there is very little visible donor assistance. The country has been largely closed to outsiders since the war ended, except for Vietnamese and Russians. In the provinces where the War Victims' Fund supports activities, they are among the primary development assistance activities. The activities are chosen from among the top priorities of the national and provincial governments.

B. Do the activities provide direct and visible benefits, as an expression of American interest in the welfare of the war victims?

Yes.

1. Are the victims receiving the kinds of services they want?

World Vision and the NRC have made special efforts to consult with community leaders and provincial and district government officials. In each community, the activity has been requested by the residents. In those communities with strong leadership, there is clear evidence that support for the programs has been mobilized.

2. Are the benefits significant and lasting?

The improvements in orthopaedic surgery, with the possible exception of Xieng Khouang District Hospital, may have significantly improved surgical technology. Because the war ended twenty years ago, there do not seem to be many war victims still requiring surgery.

The agricultural credit programs, if successful, can have significant and lasting benefits. Although the evidence is not yet in, some communities are already having success that is beginning to spread. Others, notably some veterans' that purchased cattle, are having difficulty translating any benefits from the credit program to broader advances in the community.

The Luang Prabang irrigation project is off to a good start, measured by community enthusiasm. This energy could propagate. The benefits of the irrigation will be significant and lasting. The Houaphan irrigation project is still a question mark.

3. Do most victims have access to the benefits?

By design, the rural development activities approved at the end of the Cooperative Agreement and under the current Grant provide benefits throughout communities. Benefits are wide-spread in the communities. Since most of the national populace fell victim to the intense war, most of these citizens cannot be reached by World Vision because the program is small-scale, with only local effects.

4. Is America recognized as a source of support?

The knowledge that the World Vision War Victims' program is supported by the Americans is widespread; although other countries provide most of the funding for World Visions' other programs in Laos. The senior national officials were especially direct in expressing appreciation for assistance from the U.S.

- C. Are the methods, materials and skills appropriate to the resources of the country? With the single exception of the operating room equipment at Xieng Khouang, methods, materials and skills seem appropriate to resources and needs.
- 1. Are the individual activities designed well to achieve their purposes?

The agricultural credit programs are successful where leadership and community commitment are strong; however, there is too much learning by mistake rather than benefitting from experience and expertise from outside Laos.

It is too soon to tell about the irrigation projects, but World Vision and USAID should require some review of the technical design, the likely benefits and the procurement procedures. The amounts of funding involved warrant more scrutiny.

2. Are the assumptions underlying the designs valid, e.g., availability of imported supplies, or accessibility of services?

Operating room equipment in Laos is notoriously susceptible to failure because small replacement parts, such as high intensity light bulbs, are unavailable in the country. (Some equipment is Russian; parts may be unavailable anywhere.) Some simple mechanism for the NRC to order parts from outside the country could put a lot of equipment back in use, including equipment supplied through the War Victims' Fund.

D. Are the activities and the program properly managed?

There have been no major problems that have emerged because of inadequate management; however, the nature of the activities, the complexity of the program, and the difficulties of communication and travel invite future management or financial problems. The current management structure provides inadequate assurance that problems will be handled adequately and quickly in the future. The front-line managers at USAID and World Vision need more regular supervision and involvement from senior staff in their organizations.

1. Does the combination of grantees, USAID/Bangkok and AID/W Office of Health management structure provide appropriate direction and oversight?

No. Because there are no resident USAID staff in Laos, the out-of-country program managers at the Mission and in Washington need to be especially alert to events in Laos.

There should be more routine opportunities and efforts on the part of senior staff to be informed about the current issues that the front-line managers are coping with. The content of reports from Laos needs to be beefed up to keep the Bangkok team well informed. Agreements and documents need to be translated into English, for review by USAID/Bangkok staff. Conference phone calls may be useful for getting more managers to focus on key issues together. Allen Randlov, the Project Officer in Washington, should call the USAID/Bangkok managers more frequently to monitor whether the Laos program is encountering serious problems.

2. Are finances properly managed?

There was no evidence of mismanagement of funds. In some of the agricultural credit programs, there may be problems in the future with defaults on loans.

E. Is it likely that the activities can and will be sustained to meet the continuing needs of war victims after external funding ceases?

Only if external funding is available for broad scope rural development, as a replacement for War Victims' funds.

1. Are the current indigenous sources of support likely to be adequate in the foreseeable future?

No, indigenous resources are meager.

2. Could support come from the private sector?

Yes, for some activities. For the long term, private sources of agricultural credit may be more sustainable: banks, cooperatives, credit unions; the institutions necessary to administer such programs may not currently exist. This question could be investigated in the future if experts on agricultural credit are invited to comment on the program and future prospects.

3. Will indigenous human resources be adequate in the future?

Probably not, at least if the successful programs will be replicated nationally. For example, with agricultural credit, replication of these pilot-scale activities would require the institution(s) and staff to organize large scale credit programs. Perhaps, the institutions would function best in the private sector; however, private or public credit supply would require a large number of loan officers and loan administrators.

F. What are the team's recommendations for any future support from the War Victims' fund?

1. Would longer time frames for planning and support of activities enhance the prospects for success and sustainability?

Longer time frames might lead to more emphasis on economic development, rather than short-term relief for war victims. An economic development strategy would demand more attention to creating institutions and to training people for new functions. The small scale of the World Vision effort, the pilot-testing approach and the needs of the people in war torn areas -- all these factors argue for the main emphasis to remain on clear, tangible and relatively immediate benefits for war victims and their families. Agricultural credits and small scale irrigation are not bad choices for balancing among the above objectives.

2. Is it essential to have more information about war victims and their needs?

No, although more information might clarify whether any groups of the population are systematically being excluded from benefits of the World Vision/Lao Government programs.

3. How important is it to have an explicit country plan?

An explicit overall plan for different program areas, irrigation for example, might reveal some opportunities to increase development benefits by making modest adjustments in implementation of activities. For example, if several irrigation projects to create paddy fields are envisioned, it might be worthwhile to investigate possibilities for complementary inputs, such as improved rice seed.

4. Are there any essential program changes the team would want to see if additional resources were available?

The need for and the feasibility of providing prostheses in the provinces should be reviewed to determine whether more resources should be allocated to produce and deliver prostheses.

5. How could program management be strengthened?

More attention should be given to guiding and to supporting the front line managers. More opportunity should be sought for thoughtful deliberation about program commitments, including technical and financial reviews by World Vision, and perhaps USAID for large projects.

6. Are there important missed opportunities for cooperation or collaboration or transfers of experience among the projects in the country?

No, there are very few development organizations now in operation. Coordination by the NRC seems adequate for the time being.

- G. Are there lessons to be drawn of use to the worldwide program or to other countries?
- 1. Is the Lao country program a useful model? What are its main strengths and weaknesses?

The Lao country program is occurring in unusual circumstances: a country long bereft of development assistance activities supported by Western donors. The broad purpose rural development activities supported by the War Victims fund would be plentifully supported by donors in most developing countries. In Laos, these activities may lead to more effective rural development in the future when more external resources are available. In other circumstances, where comprehensive rural development programs are already underway, this program would be too challenging and broad in purpose for the War Victims fund -- especially because there is no resident USAID Mission to monitor the program.

#### II. BACKGROUND INFORMATION

Historically, much of the territory forming modern Laos has been the site of conflicts, often warfare, among the surrounding civilizations including the Siamese/Thais, the Khmers/Cambodians and the Annamese/North Vietnamese. In the late 1800's, the French took control fending off the Chinese and wresting control of all territories east of the Mekong River from the Siamese. Although the French united the principalities which now compose modern Laos, the French interest was marginal. The French imposed Vietnamese as officials to administer the area. Investment was very limited. There was no development of physical infrastructure or higher education.

Towards the end of the second World War, as Japanese control weakened, the population sought independence. The French briefly re-established control; however, in 1949, Laos became an independent state and factions within the country began their long and bitter civil conflict. The left wing, the Pathet Lao, allied with the Viet Minh Communists, and resisted the Royalist government. In the late fifties and early sixties, power shifted among three factions: the royalists, neutralists and the Pathet Lao. The U.S. began supporting the right and central factions during this time with funds and supplies. The Pathet Lao held control of the northeast, operating from Houaphan Province near the Vietnamese border. U.S. involvement increased in the mid-sixties in the form of saturation bombing of Laos along the Ho Chi Minh trail and in the northeast. The Pathet Lao with some of the neutralists, and with direct assistance from the North Vietnamese and supplies from the Russians, extended out from their northeastern base, until they controlled seventy per cent of the country by 1972. On land, the Hmong mountain clans, the Royalist lowland Lao around Vientiane and the Thais fought back with U.S./CIA financial assistance. The saturation bombing by the U.S. forced non-combatants to flee from much of north and central Laos.

According to the Lao National Coordinator of the War Victims' program, peace arrived with a cease-fire in November 1973. The country began to disarm in 1974 with tenseness throughout the land. The Royal Army was disbanded, and the Pathet Lao became the national army. The King abdicated. In 1975, Prince Souvanouphong and the Pathet Lao leader Kaysone Phomvihane took control of the government. The Pathet Lao, also known as the Patriotic Front, became the national party organization defining policy for the government to implement. Many people loyal to the Royalist government fled; some of these people remain in refugee camps across the border in Thailand; others have been admitted to Western countries, including the U.S. The Lao People's Democratic Republic was formed in December 1975. Kaysone became Prime Minister. The Marxist-Leninist government has maintained control through a Politburo, with support until recently from the U.S.S.R. and the Vietnamese.

The country has been essentially closed to Westerners. Some change began in 1989 with the first national elections. A constitution was adopted in 1991. Officials in the planning ministry now talk about a market economy. The last Party Congress cited as an objective good relations with all countries; the Thai royal family are becoming feted visitors. One official tried to put the party into perspective: "The party may decide on collectivization as a goal, but the people can conclude collectivization is a failure." "The party is not superior to the government." As evidence, the current Ministers of Health and Justice are cited as not being party members; nevertheless "party members must follow their decisions."

Despite valuable natural resources, the economy remains at subsistence levels with very low per capita incomes. Much of the national staple, rice, is a rain-fed crop grown on hillsides. Slash-and-burn cultivation is putting increasingly severe pressure on the eco-system; the risks of erosion of top-soil are becoming part of the national consciousness. (In nearby northeast Thailand, farmer organizations and environmental groups are joining forces to raise alarm about rapid deforestation.)

World Vision began working in Laos in the late sixties, supporting health care and community development activities. The program was closed in 1975. World Vision/Australia reopened the program in 1986. Health activities were supported in Luang Prabang Province. A Country Representative, Mr. Chalermchai Jittayasothorn, arrived in 1989 and launched integrated community development activities in the drought affected southern provinces of Savannakhet and Champasak.

The War Victims' program in Laos was developed over a two year period, initially planned for implementation by Handicapped International and World Concern. Handicapped International and World Concern withdrew their interest. USAID/Bangkok signed a two-year \$860,000 cooperative agreement with World Vision at the end of September 1990 for the "Laos Prosthetics and Rehabilitation Project." A final report on the cooperative agreement was prepared in April 1993. In the meantime, the program was extended with a \$500,000 grant from USAID to World Vision for two more years, bringing total funding from USAID to \$1.3 million.

#### III. EVALUATION TEAM AND ITINERARY

The evaluation occurred from November 9 to 19, 1993. The members were Robert Simpson, a consultant from the BASICS project based in Washington, and Susan Palmer, the USAID/Bangkok project officer for War Victims' activities in Vietnam and Laos. Three people scheduled to participate were unable to join the team: Eugene Morris, the Deputy Director of USAID Bangkok; David Chandler, a senior manager from World Vision in Bangkok, and Daniel Ramsey, a Certified Prosthetist/Orthotist from Minnesota. Simpson and Ramsey had just finished working on the War Victims' Program evaluation in Vietnam. They were bumped from their flight from Bangkok to Vientiane on November 7. Ramsey's participation was most needed for the November 8 visit to the National Rehabilitation Center in Vientiane; this part of the evaluation was pushed back to the end of the trip on November 19, so Ramsey canceled his participation because of commitments at his practice in Minnesota. Simpson joined Palmer in Vientiane on November 9 and proceeded directly to Luang Prabang with the National Coordinator of the War Victims' program, Dr. Thongchanh Thepsomphou, and the World Vision program manager, Roy Fenn. Also with the team in Luang Prabang was Dr. Srisomone Kaewla, the World Vision technical expert on the project.

Surface travel in Laos is slow and difficult. The few roads that mainly connect the Provincial capitals are barely passable in sections, even during the dry season. The national airline links only some of the provinces with Vientiane. The arduous and time-consuming travel is an obstacle to government officials and World Vision staff interested in reaching war victims.

<u>Dates</u>	<u>Province</u>	Evaluation Sites	
9-11 Nov.	Luang Prabang	Interview: Governor	
		Banh Seun, Huaysuen-Ngoi District irrigation project	
12-14 Nov.	Xieng Khouang	Interview: Deputy Governor  Banh Khangkhay, agricultural credit: cattle	
•			
		X.K. Province Hospital: orthopaedic surgery	
		Banh Sanh, agricultural credit: garlic, cattle	
		Banh Longkhai, agricultural credit: cattle	

<u>Dates</u> <u>Province</u>

15-18 Nov. Houaphan Interview: Governor

Banh Samikhzay, agricultural credit:

cattle

**Evaluation Sites** 

Banh Ngaeu: irrigation project

19 Nov. Vietiane Precinct Mahoset Hospital: orthopaedic

surgery

Interview: Minister of Health

National Rehabilitation Center

Sewing School for Disabled

Hospital 103: orthopaedic surgery

Interview: Deputy Minister of Labor

and Social Affairs

Interview: Vice Minister, Ministry of

Planning and Cooperation

Briefing: American Embassy

#### IV. ASSESSMENT OF THE NEEDS OF WAR VICTIMS

#### A. Current Information about Disabled War Victims and Their Needs

The previous mid-project evaluation completed in April 1992 reviewed the unsuccessful efforts to estimate the numbers of victims of war. A survey carried out in 1990 under the cooperative agreement, carried out through a sub-contract from World Vision to World Concern, did not provide reliable information. Instead of identifying specific war victims for assistance, World Vision has selected the provinces that were most affected by the long years of conflict and requested the provincial officials to identify communities where families are known to have suffered from the bombing and land battles. These communities are sometimes newly formed, through allocations of land from the government to disabled army veterans and their families.

In the northeast, it is clear that large areas of terrain were heavily bombed. From the air, flying north from Vientiane, the landscape of paddy fields is pock-marked with bomb craters.

Travelling through the provinces of Luang Prabang, Xieng Khouang and Houaphan, large bomb casings are evident everywhere as fence posts, as planters or somehow incorporated into village scenery.

According to government officials, the intense and extensive bombing forced families to abandon many of their communities. These casings reportedly contained numerous small anti-personnel explosives, known as "bombies." Numbers of people killed or injured were not available.

Most of the land fighting was in the North. In Xieng Khouang Province, which includes the strategically located Plain of Jars, control of the land was contested by battles over many years, beginning with the French efforts to hold Indochina after the Second World War. According to the Deputy Governor of Xieng Khouang, the heaviest fighting occurred between 1968 and 1970. He estimates that half the population evacuated in 1969. In 1970, 2000 Thai irregular troops were brought to help the Royalists in a major offensive south of Xieng Khouang. In the provincial capital, no buildings were left standing. The Deputy Governor said there were many deaths during these years, but more injuries, especially crippling injuries. There were many amputees; mostly legs were lost from shootings or stepping on land mines.

According to the National Coordinator, the rightists used mines on known routes; the mines were plastic, pressure-activated, and made in America. The mines are still present in Houaphan Province, to the north of Xieng Khouang. Other bombs were dropped from planes: the trip wire bombs were distributed broadly but are now gone. The "dragon seed" bombs, or cluster "bombies," are still a risk.

The handicapped are now the responsibility of the government and the families. After the fighting stopped, there were 1000 paraplegic cases; most of these have since died. The Lao government has been bringing the disabled and their families to special villages where the Ministry of Labor and Social Affairs can provide some assistance.

Although data about numbers of people killed or injured do not seem to be available, in Xieng Khouang there are estimates of the losses of cattle and buffalo: from approximately 400,000 head in the Province before the heaviest fighting to about 1500 afterwards. The Deputy Governor explained that, unlike people, these animals were unable to take precautions to avoid the carpet of explosives. The cattle that survived, he observed, suffered from grazing on pasturage impregnated with phosphorus from the bombing. The human population of the province, 180,000, has only recently passed the pre-war levels. Many families who evacuated did not return until the eighties. Efforts to alleviate war damage has mainly been in the cities; according to the Deputy Governor, virtually nothing has been done outside the towns. Although there is peace, the development process has only begun; new families are starting freshly.

According to the Deputy Governor, unexploded ordinance is a tough and continuing problem. Unexploded ordinance remains in the fields. A recent team seeking evidence of MIAs found 100 "bombies" in the Province. The Quakers have tried to clear land areas, but the process is slow and success is limited. Recently, the Mennonites have raised funds to accelerate the effort.

Hazard Awareness training financed by the USAID Cooperative Agreement through World Vision has been well received and has had an impact. Next year, the Province will expand on the training for three additional districts, by then covering one-half of the Province. Deaths from the explosives continue to occur; recently, a couple was killed, parents of a small barry, and also a mother and daughter. The following day, the orthopaedic surgery team at the Provincial hospital reported that among the last five surgeries, over the prior eight weeks, two were caused by "bombie" explosions. It appears that war injuries are still occurring twenty years after the bombing, but infrequently.

A large group of refugees were from Hmong hill tribes who had opposed the Pathet Lao/Patriotic Front. Several hundred thousand Hmong fled across the border into Thailand between 1973 and 1984, after U.S./CIA support was withdrawn. Between fifty and sixty thousand were resettled in the United States or other Western countries. Although there have been extensive reports of chemical/biological warfare in the hill tribes areas reported in the international press since 1973, sometimes referred to as "yellow rain," the National Coordinator stated that there was no evidence that this was a serious problem. Many Hmong remain in refugee camps in Thailand along the Lao border. When Prime Minister Kaysone visited Thailand in 1992, 100 Hmong attacked a site in Laos across the border. The Thais and the U.S. are now encouraging the Hmong refugees to return to Laos. UNHCR has a \$10 million fund, including \$700,000 from the State Department, to resettle refugees in the northern Lao World Vision and the War Victims program have not been involved in the resettlement; the Lao want all funds to go through UNHCR. It was not possible to assess the Lao Government's policy and practice of assisting war victims who did not support the Pathet Lao/Patriotic Front. Only one of the World Vision projects appeared to include hill tribes groups.

#### V. ASSESSMENT OF SERVICES TO WAR VICTIMS

#### A. Summary Observations

USAID/Bangkok has committed \$1.3 million from the War Victims' Fund for World Vision activities in Laos. Initially, \$860,000 was obligated through a Cooperative Agreement for the period 1990-92. An additional \$500,000 was obligated through a Grant for the period 1992-94. The following table has been drawn from World Vision reports to indicate the approximate allocation of funds:

#### WAR VICTIMS' FUND LAOS COUNTRY PROGRAM: 1990-94 (\$ THOUSANDS)

	Cooperative Agreement	Grant	%
Orthopaedic Surgery &			
Rehabilitation	340	45	28%
Prosthetics	30	80	8%
Agricultural Credit	160	32	14%
Irrigation	-	165	12%
Training & Education	30	15	3%
Other	30	-	2.%
Sub-total	590	337	68%
Management & Indirect Costs	2.70	163	32%
TOTAL	860	500	100%

#### B. Orthopaedic Surgery

The plan to upgrade orthopaedic surgery was developed by the first planning team to Laos, sponsored by World Concern. Two orthopaedic surgeons (Drs. Sandalvolt and Belcher) from the University of Washington, Seattle, developed the plan. The plan was picked up and incorporated into the World Vision program. The Mid-project Appraisal completed in April 1992 describes the efforts to improve facilities for rehabilitative surgery at Mahoset Hospital and Hospital 103 in Vientiane and the Provincial Hospital in Xieng Khouang. The report also discusses the training at Khon Kaen University in Thailand to upgrade the skills of the staff at these facilities. There was no expert on the current evaluation team to follow up on the findings of the Mid-project Appraisal Team: (1) concern about inadequate operating room procedures to prevent infection; (2) assessment that the returned Lao orthopaedic surgeons, anesthesiologists, surgical nurses and physical therapists had been appropriately trained, and (3) as modified, the training had responded to the specific needs of the Lao participants. There had been delays in obtaining the equipment for the operating rooms; these problems were quickly addressed by World Vision.

During this evaluation, there were brief visits to the hospital facilities. In Vientiane, the operating room equipment had been installed at both Mahoset Hospital and Hospital 103 and was in current use. We met some of the trained staff; they expressed satisfaction with the training. An extension of the building for the operating room at Hospital 103 was in use.

In Xieng Khouang, the surgeon and anesthesiologist were on hand at the Provincial Hospital established with assistance from Outer Mongolia. The building constructed for the operating room had been completed, but was not yet in use because the operating room equipment was not set up. Some minor couplings for the respiratory and anesthetic equipment had not been sent in the shipment. (CIG Medishield, #OHS5750031, Serial #BBNS01410, Continuous Flow Vaporizer, Cylinder Tank (N2O + O2) connectors missing.) In Vientiane, this same problem had been solved at both hospitals; Dr. Thongchanh from the NRC agreed to assist the Xieng Khouang hospital in procuring the substitutes for the missing parts, and to ensure that the staff were properly oriented in use of the equipment. Small problems, such as missing couplings or lack of simple replacement parts, become major difficulties because there is no foreign exchange nor procurement mechanism to solve the problem. (In Xam Neua, the Houaphan Provincial Hospital was virtually devoid of basic supplies and medicine; the problem there was more fundamental, lack of funds. The hospital was almost non-functional.)

(In the final report on the Cooperative Agreement, in-kind contributions from World Vision were cited, totaling approximately \$1.6 million. These contributions were not part of the agreement with USAID. Some medical supplies had been received and mostly used at Mahoset Hospital. About half the amount, \$765,000, was for medical textbooks. Examples of the texts were available at the NRC; however, most of the texts had been given to the medical and nursing schools administered by the Ministry of Education. There was not adequate time to observe utilization of the texts.)

Dr. Thongchanh, the National Coordinator of the program and Director of the National Rehabilitation Center said there had been no consultation with him concerning the priorities and use of the Cooperative Agreement funding during the 1990-92 period. He believes the mix of assistance in that first phase was not appropriate to needs in Laos. With regards to orthopaedic surgery and rehabilitation, he believes there was too much construction, and not enough funding for equipment. At Mahoset Hospital, perhaps the best equipped facility that we saw in the country, the surgeons showed surgical equipment that was old, in use for ten years or more, and worn out. At Hospital 103, also in Vientiane, the laboratory equipment was supplied in the early seventies by the U.S.

It is clear that orthopaedic surgery in Laos is below normal world standards. It is also clear that the USAID assistance through World Vision has improved the situation and is appreciated. Of course, more improvement is needed. The main question for the purposes of the world-wide War Victims' Fund evaluation is whether orthopaedic surgery was or is a high priority for Laotian war victims. The information available from hospital staff certainly indicates need for orthopaedic surgery. (In Xieng Khouang, there have been perhaps 500 cases of bone infection in the last year, occurring in all age groups.) There do not appear to be, however, many current cases of surgery for war victims, despite the continuing injuries from old wartime explosives. It is perhaps not surprising since the main period of armed conflict ended almost twenty years ago. In retrospect, improvements in orthopaedic surgery might have been given lower priority in this program.

Recommendation 1: The NRC and World Vision should ensure that the operating room equipment purchased through the Cooperative Agreement is set up and functioning at the Xieng Khouang Provincial Hospital. World Vision should consider whether some procurement mechanism can be established so the NRC can order spare parts directly.

#### C. Prosthetics

Assistance for prosthetics has been relatively modest, only about 8% of the War Victims' funds. About \$40,000 from the Cooperative Agreement was used to purchase materials for the production of limbs at the National Rehabilitation Center (NRC) in Vientiane; these materials were reported to have been used up. Additional training has been provided to NRC technicians under the current. World Vision brought in a Certified Prosthetist/Orthotist to give a two-week course last summer.

In Xieng Khouang, the team visited the prosthetics workshop connected with the Provincial Hospital. The workshop was established by Handicapped International. The facility had minimal equipment and two technicians on the premises; no one from the workshop had participated in last summer's prosthetics course in Vientiane. There is no assistance from an external donor currently; the only assistance is from the NRC which provides vacuum formed sockets and feet. Last year, twenty prostheses were produced. In a later visit to a village in the Xieng Khouang province, amputees said that they go to Houaphan Province for replacement of their prostheses; a trip to Houaphan is long and arduous. The Deputy Minister for Labor and Social Affairs told us that the prosthetic facility in Houaphan Province is being closed and moved to Vientiane.

The Ministry of Labor and Social Affairs (MOLSA) is responsible for:

- 1. increasing employment,
- 2. social welfare for:
  - a. veterans,
  - b. orphans,
  - c. handicapped: blind, retarded, etc.
- 3. emergency relief for disasters.

The Ministry estimates there are 15,000 handicapped people in the country, of which 5000 are living in centers. For example, the Ministry is responsible for villages where amputee military veterans and their families are assigned. In Xieng Khouang and Houaphan, MOLSA provincial staff helped coordinate the visit of the evaluation team. The Deputy Minister said that anyone needing a prosthesis is sent to the NRC, which is part of the Ministry of Health, or to a MOLSA Prosthetics Workshop in Vientiane Province. He commented that materials and tools were lacking at the Vientiane Province Workshop.

The need for production of prosthetics and outreach to amputees, most of whom are a long way from Vientiane, deserves analysis and further consideration for any additional assistance.

The need for prosthetics was raised with the Minister of Health, in the context of his assessment of priorities for the War Victims' program. The Minister carefully and thoroughly stated his agreement with the priorities in the current grant, and particularly the shift to income-generating activities. The NRC Director made clear that the program priorities in the current grant had been developed with full participation from the Lao side. Clearly, prosthetics are a lower priority than income generating activities. Virtually all the leg amputees encountered on the trip had prosthetic limbs; however, the devices were old, had been repaired and seldom permitted a normal gait. The NRC Director said that if there is another grant for the War Victims' that he intends to request assistance to raise the skill levels of prosthetists and physical therapists.

Recommendation 2: If a follow-on grant for war victims is being considered, the NRC and World Vision should undertake an assessment of prosthetic needs and options for production and outreach. The experience with mobile prosthetic production teams used in Northern Thailand should be investigated as a possible model.

#### D. Agricultural Credit

Agricultural credit activities were begun as the Cooperative Agreement was ending. The new World Vision Project Manager reprogrammed funds that had been budgeted for vocational training, in response to the National Coordinator identifying income generation as an important priority. There have been eight villages that have received credit; however, the amount of funding required for a village is modest, averaging less than \$25,000 per village. The total amount budgeted is \$192,000 or 14% of the entire program.

Each of the village credit programs is different in various aspects. Some of these changes are intended evolution of the credit scheme as lessons were drawn from prior experience. Each village becomes an interesting case study in community development, as families respond to incentives and to risk. Some communities are disappointing, while another is surprisingly dynamic.

The Lao government has given preference to villages formed by families where the father is an amputee veteran. Three of the villages visited, two in Xieng Khouang Province and one in Houaphan Province, have been set up by the Social Affairs Departments for amputee veterans, using land that the government controlled. Each had used the capital loaned to the families by the Social Affairs Department for purchases of cattle. Cattle were favored, according to statements by the village leadership, because cattle are not as susceptible to disease as other farm animals, cattle don't require special feed and they can be cared for during the day by children. World Vision trains the village to vaccinate the cattle to reduce the risk of disease. Other reasons not so readily cited are the status and wealth represented by cattle. Cattle are not a source of regular income; the money comes in a big lump. Nor are the cattle providing a steady supplement to the family diet. The cattle may be a valuable asset which can be used to finance major events such as weddings.

The two villages in Xieng Khouang were struggling; attitudes and leadership seemed listless and dejected. The families needed help, especially for the sake of the children. The veterans may feel the government owes them a debt. There was a sense of unreality in discussing how the loans would be repaid: whether in kind or in cash, when, at the original amount or with interest. In Houaphan, the amputee veterans in an ethnically mixed and potentially discordant community were focused on repaying the loans early, to be out of debt and to make the capital available for use by other villages. The village had wisely purchased cattle about to reproduce; production was way ahead of schedule. Pigs had been purchased and were in healthy pens with a supply of feed. Village entrepreneurs were shifting capital to weaving projects, and two roadside shops. All the amputee villages had difficult land sites, although the roadside location offered marketing advantages to the Houaphan village. The main apparent difference between the Xieng Khouang and Houaphan villages was community commitment and leadership.

Two other villages that purchased cattle were more typical cross-section communities, rather than the veterans' villages. These villages had been disrupted by war, and individuals had been injured. One site was selected, in Viengxay District, Houaphan Province, where the Patriotic Front was headquartered during the war, because there were orphan children in need of homes. Families were offered cattle as an incentive to accept an orphan child. When the extended families learned about these grants of cattle, they requested custody of the children. The District Council took unauthorized action; the orphans and the cattle were transferred to the extended families. As a result of the action, we were told that the Provincial Governor sacked the District Council members. When the new District Council members met the evaluation team, there was general dismay and confusion. Neither the District, nor Province, nor national officials seemed to know what action to take. The status of the cattle was unclear. It is possible that the reassignment of the children was in the children's interest, but the confused method of handling the transfers revealed confusion about the nature of the authority of the District. World Vision needs to clarify this situation.

Loans for cattle were also made, to teachers in Viengxay District; however, the loans were not discussed at the meeting with District officials because the discomfort about the unresolved issue of the orphans caused an abrupt and premature end to the meeting.

Recommendation 3: When the facts are clear about the disposition of cattle and orphans, the Provincial Government needs to take appropriate action with the Viengxay District Government and the borrowers, in consultation with the National Coordinator and World Vision.

The remaining village, Banh Sanh in Xieng Khouang Province, also disrupted by the war, was chosen by World Vision and the NRC because the leadership was young and dynamic. Based on the well-publicized success of a nearby village that produced garlic, Banh Sanh borrowed funds to produce garlic as a cash crop. Perhaps not surprising, when the crop was ready the price in the market had dropped dramatically, perhaps because of oversupply. The borrowers were unable to repay the loans. The community leaders requested extension of credit for another growing season, rather than accept default of the loans. In the meantime, credit was also

extended for cattle purchases with plans for future loans for pigs and fish. World Vision worked through these issues with the village. The village leadership had screened loan applicants, giving preference to poorer families, known to be responsible and hard-working. Although the village was not asked to be a guarantor of the loans, the principle that loans would have to be repaid "without excuses" was central to the negotiations. The lesson would have been more reassuring if the Provincial or District officials had played the central role in resolving the situation with the community and the families. Who is the lender? Who is the borrower? Who owns the cattle or other purchased assets? How was repayment to be made, in cash or in kind? At replacement value or at original price? When? Who would be pursued in the event of default? These types of questions seem to be difficult to answer with each of the village credit programs. It is not clear that the local officials are developing the institutional capability to manage credit, nor even that Social Affairs is the appropriate institution for this role. What are the institutional capabilities needed to replicate these programs? Could this effort be managed by a private institution, such as a credit union system? Social Affairs is a source of government beneficence, not a pragmatic lending institution that depends on repayments to survive.

As an indicator of the potential risks for lenders in these programs, the average cost of cattle purchased by the villages has varied substantially. The first village credit program in Vientiane Province purchased two hundred and fifty cattle at an average price of \$238. Banh Sanh village purchased 45 cattle at less than \$50 per head, and augmented loan capital with their own cash to enlarge the purchase. Market price for cattle is reportedly about \$100 per head. If borrowers in the first village, in Vientiane Province, repay in kind with cattle will the borrowers be pocketing a profit. If the borrowers have to repay in cash much more than the real market value of the cattle, will they have reserved the necessary funds or will they default. The evidence won't be available until the loan repayments are due.

Two important lessons to be drawn here are: (1) that credit programs are complicated and risky for both lenders and borrowers, and deserve more attention to design of the credit mechanisms, and (2) that the benefits for families and communities can be substantial where leadership and commitment are strong. Without overwhelming the program management team in Laos, some of the vast body of experience with agricultural credit should be made available to them, to speed up the process of improving the credit mechanisms. World Vision indicated that they have access to agricultural credit specialists in the region. USAID/Bangkok also is willing to seek information and experts from the Agency's considerable technical resources.

With regard to selection of villages for credit programs, the Deputy Governor in Xieng Khouang stated that if villages were grouped according to wealth and well-being, he would program War Victims' funds for the poor, bottom third of the villages. Within this group, he would select those villages where the leaders and the community had demonstrated their willingness to strive and their ability to use resources effectively. The Deputy Governor is a wise, seasoned official; his approach suggests a way to balance the goal of assisting communities most in need with the goal of supporting communities that are likely to achieve success when resources are made available.

Recommendation 4: World Vision and USAID/Bangkok should identify resources which could provide the program management team in Laos with well-tested approaches to designing and implementing agricultural credit programs. Special attention should be given to developing institutional capacity in Laos to manage agricultural credit programs in the future, hopefully on a broader scale.

Recommendation 5: To identify candidate villages for agricultural credit programs, World Vision and the National Coordinator should consider working with the Provinces to identify communities that are in the bottom group for wealth and well-being, and also that contain those elements, such as good leadership, likely to result in effective use of external resources.

#### E. Irrigation

There are only two irrigation projects in the current program, but each one is a substantial investment; together, the projects account for 12% of the total War Victims' funding. Both projects are large and well-known in their provinces; the projects may be the largest development projects currently administered by government Departments in these provinces. The Governor in each Province was well versed in the specifications and the benefits of the projects.

The irrigation project in Luang Prabang Province in Huay Suen District is being administered by the Irrigation Division of the Department of Agriculture. The project is located off the Nam Ou river, about three hours boat ride from Luang Prabang. At least two full-time technical staff from the Irrigation Division are now resident in the village as the project gets underway. Most of the construction material, notably cement and reinforcing rods, had been transported up river and delivered to the commune, the lowest governmental level, which administers five villages. A billboard in a public area displays the layout of the project in relation to the cropland of the five villages whose land will be irrigated. A schedule is displayed for everyone to peruse.

The total cost of the Luang Prabang irrigation project is about \$ 75,000. World Vision is paying \$ 43,000 for the cement. The Province is paying about \$ 20,000 for sand, clay and other materials. The communities are providing labor valued at \$ 10,000 to clear an access road, to transport materials to the site, and to construct the weir and distribution channels. Funds to be provided from the Provincial budget had recently been allocated, through the Governor's intervention to rearrange budget priorities late in the fiscal cycle. Procurement had been arranged quickly. The commitment of the villages benefitting was dramatically evident: labor had been mobilized to clear a 4 foot wide road from the supply depot to the construction site of the irrigation weir, about 4 kilometers. Most of the distance had been completed in less than a month, a remarkable feat. Every one of the approximately 1700 families had been asked to contribute one laborer. Previously, the Governor had helped to explain to the evaluation team the high level of interest in this project. The project had been identified ten years earlier and placed among the Province's top priorities. (The Province has identified and surveyed 36 sites for small scale irrigation projects.) Other groups, including other donor agencies, had visited

over the years, but no commitment was made. Everyone involved with the project had been waiting a long time.

The Governor's first priority is to increase incomes and food production. The irrigation project will increase the area of paddy from 16 hectares to 250 hectares. A second crop each year can be grown on 100 of these hectares. The irrigated land will be cultivated by 245 families. Pressure on land is a major concern for the Province and the commune. Almost all the rice for the commune is grown by slash and burn (swidden) agriculture. Each family needs about two hectares of new land cleared every three years. For the commune, 5,100 hectares (almost 13,000 acres) are needed every three years. The land is very hilly, with steep slopes. The effect is disturbingly visible: denuding of slopes everywhere causing runoff erosion which is damaging the watershed. As a result, there is a sense of urgency about this project.

From the point of view of the farm families, irrigated land not only increases food production and incomes, labor demands are reduced. Swidden agriculture is very labor intensive: land clearing every three years is very arduous. Travelling to and from fields, carrying tools, is time consuming, especially if fields are increasingly far from villages. Unlike paddy production, weeding is a major task over many weeks with rain-fed crops. Most of the labor during the crop cycle is provided by women.

When the construction is completed, the Irrigation Division will work with the commune to establish a water-users group which will control the weir, determine the distribution of water and maintain the channels. This is standard procedure for the Irrigation Division staff. These engineers from the Agriculture Department are enthusiastic and actively involved in the project. The project appears to be off to a good start. Substantial benefits are anticipated.

The second irrigation project is at Banh Ngeu, a community with four villages which will benefit from the project. It is located in Houaphan Province just outside the capital city of Xam Neua. The population is about 2,900, in 440 families. Elderly and small children make up 50% of the population. Twenty individuals are handicapped.

The final planning phase is complete; procurement is about to begin. This irrigation project is more expensive than the Luang Prabang project; the total cost is about \$233,000. World Vision is being asked to pay for materials costing about \$123,000, which is 53% of the total cost. The Province is contributing about \$70,000, and the commune is contributing labor valued at \$40,000. Although the construction cost is three times the comparable cost in Luang Prabang, the area to be irrigated is less than half the hectarage in Luang Prabang. Only 115 hectares will be irrigated, of which only 40 to 45 hectares will be suitable for paddy. Because the climate is colder than Luang Prabang, only one crop can be grown each year. A rice variety with a 120 day growing period will be recommended. It will be possible to plant orchards above the gravity flow of the water, bringing another 40 hectares into production. On the paddy fields, the rice yield is expected to reach five tons per hectare. It is difficult with limited information to estimate the cost of irrigating the 45 hectares of paddy, but the cost of this project seems high in relation to the anticipated benefits. The Governor made the point that fields suitable for

paddy rice are very scarce in the province, resulting in extensive slash and burn agriculture. He also noted that the remaining land sites that can be irrigated are not ideally suited, so irrigation projects are expensive. Despite persistent questioning and serious attempts to locate project drawings, including a search by the Governor, there were no drawings depicting the land to be irrigated in relation to the works to be constructed. As a routine practice, the World Vision staff should have an independent irrigation expert review plans for projects of this size.

On the day of the visit to the Banh Ngeu project, the day began with a meeting with the Governor and his staff including the Deputy Governor, the Director of the Agriculture and Forestry Department, the Irrigation Engineer seconded by the Ministry of Agriculture, an official from Labor and Social Affairs, the Deputy Director of Foreign Relations, and the Deputy Director of the Provincial Construction Company. The Governor made clear that he wanted to proceed with procurement to be financed with World Vision funds. The Project Officer from USAID/Bangkok explained that USAID regulations require normally: (1) technical review of the project design and of the construction plan, (2) a competitive selection process, and (3) monitoring of the construction at critical points. The competitive selection process includes typically a request for bids and selection from among three or more suppliers. The Governor replied that he wanted to proceed with procurement through an agreement with the Provincial Construction Company. He believes that other qualified contractors, with the necessary equipment, are unlikely to come to the Province for this project.

Recommendation 6: Before the Banh Ngeu irrigation project goes any farther, USAID/Bangkok and World Vision should assure themselves that the technical design of the project is sound, that the likely benefits of the project justify the cost, and that the procurement process will be competitive and result in market prices for materials.

#### F. Training and Education

The only activity discussed in this category was the "hazard awareness" program to educate communities and people about the dangers of unexploded ordnance. The focus of this effort was Xieng Khouang Province, one of the areas where bombing and mine laying was intensive. World Vision's contribution was the preparation of printed materials, including posters, for training of community leaders and for public education. In the Province, the National Rehabilitation Center had sponsored a training course for trainers from the Districts: police, Health Department staff, Women's Union and trade union leaders. The materials were developed and tested by the NRC. The posters were visible in District Hospitals and other public places. Next January, training will be initiated at the District level, in Kham District. The training will be organized through the National Front party structure, the Women's Unions and the Youth Association at district centers. This effort to prevent more injuries from bombs has been inexpensive and gets high marks from Provincial Officials.

#### G. Priorities for Services to War Victims

The Minister of Health, when asked by the Evaluation Team about his priorities for the War Victims' program, said that his first priority would be to upgrade the surgical set-up at the Provincial Hospital in Houaphan Province, because of the isolation and terrible conditions in that Province. His second priority was to build greater technical expertise among Lao health workers, bringing doctors, nurses, physical therapists and prosthetists to Mahoset Hospital in Vientiane for training. He was most eloquent, however, about the third priority: income generation. The goal, which is "100% correct for the War Victims Fund," is to bring families to the point of self-reliance. "War victims have suffered mental and emotional trauma, have lost possessions, and are often unable to perform their prior occupations. The broad scope of income generating activities can benefit a large portion of the population. Benefitting families is an investment in the future; families are the foundation for development."

The Minister emphasized that the NRC, although it is within the Ministry of Health, has provided excellent coordination among Ministries, Provinces and Departments. "Coordination is not a technical discipline." The Minister wants to keep the project and the people as is; "a move to a different Ministry or people would create delays in implementation. The program needs leaders who understand the problems of war victims and are effective communicators. Dr. Thongchanh from the NRC and Dr. Srisomone at World Vision are strong Lao leaders." (Dr. Srisomone had previously been part of the Minister's staff.)

When priorities are being considered, World Vision and the NRC should be taking into account the effects of programs on families and communities:

- what are the benefits? Increased income, additional wealth, improved nutrition, marketable skills?
- who receives the benefits? Who determines the distribution of benefits?
- how are the benefits used: asset accumulation, investment, family consumption?
- who provides the labor that produces the benefits?
- who bears the risk of failure or natural calamity?

Information to answer these question might be acquired through studies, or perhaps more easily and readily by probing questions from program managers in discussions with participating families. For example, the team saw only one weaving project and discussed it briefly; however, weaving is a common activity for women in villages. Initial capital outlay is modest. Sales of woven cloth bring cash income directly into the family in small increments. The income can be steady if production is steady, and if demand is steady. The product is not perishable as a food product would be; it is not difficult to transport to market. How are revenues used? To invest in more yarn? To invest in children? How are repayment records?

Female borrowers are typically very reliable. Another activity which has similar attractive characteristics was a sewing enterprise operated by disabled men and women in Vientiane.

Recommendation 7: World Vision should systematically collect and analyze information about the socio-economic dynamics within families and communities that participate in War Victims' activities. Particular attention should be given to women and children as beneficiaries, since men seem to control most of the resources provided by the War Victims' Fund. The fact finding can be as simple as inquiry and discussion during routine monitoring visits. The analyses should be made available to USAID regularly.

#### VI. PROGRAM MANAGEMENT

#### A. Roles of National Agencies and Coordination

The Ministry of Health and the National Rehabilitation Center are providing strong and effective leadership for the War Victims' programs. Although there is no regularly convened coordinating committee, other ministries and the provinces are effectively involved and are well informed about the program. The Ministry of Planning and Cooperation expressed full support for the program and its management. The Ministry of Labor and Social Affairs is mainly active at the Provincial level; the Social Affairs staff are the main contact with communities for program organization. Agriculture is drawn in at the Provincial level. Authority for community development programs is decentralized; Provincial Governors and their Deputies play prominent roles at the initial stages of project selection and funding. Perhaps because of the foreign involvement, especially U.S. involvement, this program is highly visible.

The successful leadership of the program is in the able hands of the NRC Director, Dr. Thongchanh. He reports directly to the Minister of Health. He functions well at the policy level, bringing perspective from his long career working with the Patriotic Front. He is alert and effectively supportive in making sure the many, diverse problems are successfully handled. He provides a vision for the program that extends far beyond the scope of his concerns at the NRC.

#### B. Role of World Vision

In Laos, World Vision operates a small-scale, comprehensive development assistance program, not unlike an USAID country program. There is no resident USAID Mission to mediate and to monitor. World Vision staff are actively engaged with public sector agencies at the national, provincial, district and community levels. As an international development organization, World Vision brings-long experience and their own approach to community development. The War Victims' programs are diverse (ranging from tertiary-level health services to small-scale village enterprises), technically complex (from design of irrigation systems to design of prostheses), difficult to reach for monitoring and risky to administer (agricultural credit schemes; substantial disbursements for local costs).

The World Vision program manager, Roy Fenn, is energetic, creative, experienced in Southeast Asian culture and an excellent linguist. He works very compatibly with his counterpart; he and the NRC Director communicate easily and fully. He negotiates with very senior and experienced Lao officials. He has had no formal or academic training in the technical areas of the program; he has to rely on his wits and the professional judgments of Lao officials. This is his second job in a developing country; previously he was an administrator in a Thai camp for Lao refugees. He is operating within the deadlines of the project agreements. He is under steady pressure to respond to the needs or the wishes of the Lao officials and communities. His working style is to be self-reliant, to get things done instead of entertaining second-guessing. He has created a development assistance program that is yielding appreciation from the Lao government and the Lao people. In the Lao circumstances, this innovative War Victims' program is meeting the needs of war victims better than a more typical orthopaedics/prosthetics program would.

To strengthen this program and to reduce risks, Mr. Fenn should increase his efforts in the following areas:

#### 1. Communication more fully with USAID/Bangkok

Currently, all agreements and documents involving the Lao government are drafted in the Lao language and not translated into English. Since Mr. Fenn is fluent in Lao, and the World Vision War Victims' program staff in Vientiane are Lao, it is sensible to work in the national language. USAID needs copies, however, of all agreements and important documents in English. Provision should be made through the grant to translate these documents quickly and routinely.

Recommendation 8: All agreements and important documents pertaining to the War Victims' program should be translated into English and transmitted from World Vision to USAID/Bangkok as they become available, rather than waiting to attach them to a quarterly report.

USAID/Bangkok needs full and early information about any important issues concerning the War Victims' program. More factual and issues-oriented information should be included in quarterly reports from World Vision. Mr. Fenn should arrange a regular method of communication during the interval between quarterly reports. Everyone will be well served if USAID first hears bad news from World Vision, rather than indirectly from other sources; the objective should be to prevent surprises.

Recommendation 9: Mr. Fenn should keep USAID and World Vision informed of current emerging issues, perhaps through a weekly conference call, or a brief weekly fax with the possibility of follow-up phone conversations. The content of quarterly reports should be more informative about project progress and problems, even if the problems are being resolved.

2. Seek technical advice and expertise.

Mr. Fenn should be alert to decision points in activities which require World Vision to make judgments on technical matters. He should provide time and opportunity in the program development process to request expert opinion/review on the technical matters, e.g., irrigation costs and benefits. Earlier in the planning process, general technical advice could be introduced into discussions about program strategies. Also, in program areas such as agricultural credit which are technically complex and where there is a substantial body of experience among development experts, technical ideas and advice from experts can prevent needless mistakes and "re-invention of wheels." World Vision/Bangkok should inform the Vientiane office about technical resources that could be made available to Laos. Also, USAID/Bangkok should inquire about resources available through the Asia Bureau and the Research and Development Bureau. Some of the USAID resources, published information for example, may be available at no cost to World Vision.

Recommendation 10: Mr. Fenn should take initiative to request technical help -- published information, review of program plans or short term technical assistance -- in areas such as agricultural credit, small enterprise development or irrigation.

Recommendation 11: World Vision/Bangkok and USAID/Bangkok should inform World Vision/Vientiane about technical resources that are available in program areas that are technically complex.

3. Defer decisions, providing opportunity for consultation within World Vision and with USAID, to allow time for careful consideration of options and consequences.

Because communications between Laos and the outside world are difficult, there is a strong incentive to push the program along by making decisions on the spot. Certainly, the officials and Lao organizations involved in the program will not want to incur delays in the program while awaiting decisions from World Vision. The pressure for decisions increases in the remote project sites where communication outside the country is impossible. Nevertheless, working in a different culture where standard procedures are different is risky business. World Vision has established a fine track record in Laos with government officials. During the evaluation, Lao officials stressed the need to make this program successful, suggesting an importance going beyond the specific project activities. Hasty decisions which may undermine the integrity of the program can be avoided by routinely deferring decisions to allow time for consultation within World Vision and with USAID.

Recommendation 12: World Vision should emphasize the need for careful deliberation about important decisions, and should establish the routine of deferring important decisions until there has been opportunity for consultation.

#### VII. ROLE OF USAID

The War Victims' Fund is managed by the Office of Health in Washington. A single USAID Officer, Allen Randlov, manages the world-wide program, which has activities in twelve countries. By necessity and by design, authority and responsibility for the country programs are delegated to the field. Mr. Randlov provides policy guidance, advises Missions on program design, fields experts and consultants to design and to evaluate programs, and each year allocates funds among countries. He relies on the Missions and the consultants he sends to the field to provide him with independent assessments of the progress of the programs.

Authority to approve and to monitor the Laos country program has been assigned to the Regional USAID Office in Bangkok. A personal services contractor, Susan Palmer, has been employed as the Mission Project Officer for War Victims' Programs in Laos and Vietnam. The Bangkok Mission requests proposals from non-profit organizations, which are reviewed, negotiated and approved at the Mission level, with funding allocated from Washington. The Mission prepares internal documents analyzing the proposal and the budget.

Because there is no USAID Office in Laos, USAID management of the War Victims' program is all at long distance from Bangkok and then from Washington. This is a situation which traditionally makes USAID nervous. The approval of the Cooperative Agreement in 1990 indicates USAID's high level of confidence in the World Vision organization, and particularly in their management of field programs. The renewal of the program for two more years as a Grant reduces the USAID involvement, perhaps recognizing pragmatically the limitations on the Missions's ability to be involved in overseeing the program.

The Mission Project Officer has an unusually difficult job. Her access to the project in Laos is physically limited. Although Bangkok and Vientiane are reasonably close, travel is not easy. USAID staff cannot travel on Lao Airlines, only on the twice weekly Thai flights. Visas are not easily acquired, especially for consultants. Once in the country, travel to project sites is slow. Because Ms. Palmer's other responsibilities keep her in Bangkok or in Vietnam which has a larger program, she is heavily dependent on written documentation from Laos. As previously mentioned, the evaluation team found no project agreements or documents in English, except the quarterly reports, consultant reports and the final report on the Cooperative Agreement. The evaluation team's visit revealed aspects of the program and some problems which had not been laid out in the reports; although, the Project Officer observed that no written report could do justice to the management challenges being encountered in Laos. Because Ms. Palmer does not speak Lao, she is completely dependent on the World Vision Project Manager's translations. He was the only communications link for the evaluation team; he handled this intense, mind-bending task skillfully and gracefully.

It should be noted that this is Ms. Palmer's first job with USAID, and her first overseas assignment. She has never had the standard training for USAID Project Officers. She is still learning the scope of her responsibilities and authorities, which are substantial. Ms. Palmer is handling her job successfully because, like her counterpart Mr. Fenn, she is bright, energetic

and determined to do a good job. Also, like Mr. Fenn, she needs experienced supervision, as a sounding board, as a teacher and as a source of judgment to help her process information and to make appropriate decisions. Ms. Palmer and Mr. Fenn are both doing a good job under difficult circumstance, handling senior level responsibilities with inadequate preparation. They have been working very hard, but they have also been lucky, in part because the Lao officials involved are experienced and able. To continue to be successful, Ms. Palmer and Mr. Fenn need and deserve more senior level experienced supervision from USAID and World Vision, respectively. To be effective, the supervisors will have to visit Laos regularly, at least every six months.

Recommendation 13: Ms. Palmer should receive USAID Project Officer training at the first possible opportunity. Both USAID/Bangkok and World Vision/Bangkok must give Ms. Palmer and Mr. Fenn more time from senior-level supervisors, with opportunity for interaction and problem solving.

#### VIII. RECOMMENDATIONS

Recommendation 1: The NRC and World Vision should ensure that the operating room equipment purchased through the Cooperative Agreement is set up and functioning at the Xieng Khouang Provincial Hospital. World Vision should consider whether some procurement mechanism can be established so the NRC can order spare parts directly.

Recommendation 2: If a follow-on grant for war victims is being considered, the NRC and World Vision should undertake an assessment of prosthetic needs and options for production and outreach. The experience with mobile prosthetic production teams used in Northern Thailand should be investigated as a possible model.

Recommendation 3: When the facts are clear about the disposition of cattle and orphans, the Provincial Government needs to take appropriate action with the Viengxay District Government and the borrowers, in consultation with the National Coordinator and World Vision.

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Recommendation 6: Before the Banh Ngeu irrigation project goes any farther, USAID/Bangkok and World Vision should assure themselves that the technical design of the project is sound, that the likely benefits of the project justify the cost, and that the procurement process will be competitive and result in market prices for materials.

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## APPENDIX A PERSONS CONTACTED

#### **Vientiane**

Minister for Health: Prof. Dr. Vannareth

Deputy Minister for Labor and Social Affairs

Vice Minister for Planning and Cooperation: Ms. Khempeng Pholsena

National Rehabilitation Center:

Director and WVF National Coordinator, Dr. Thongchanh Thepsomphou, M.D.

World Vision/ Laos PDR:

Country Representative: Mr. Chalermchai Jittayasotorn

WVF Project Manager: Mr. Roy Fenn Technical Officer: Dr. Srisomone

American Embassy:

Frank Light Alan Barr

Luang Prabang Province

Provincial Governor: Mr. Jian Se

Director of Agriculture and Forestry: Mr. Anchan

Deputy Chief of Irrigation Section: Mr. Paeng

Huay Seun-Ngoi District, Sub-district Chief: Mr. Sivala

Xieng Khouang Province

Deputy Governor: Mr. Somthong Manomack

Deputy Director of Social Affairs: Mr. Bouavan

Provincial Hospital

Surgeon: Dr. Swaij, M.D. Anesthetist: Dr. Boum Xay, M.D.

Houaphan Province

#### Governor

Deputy Governor

Director of Agriculture and Forestry

Director of Irrigation

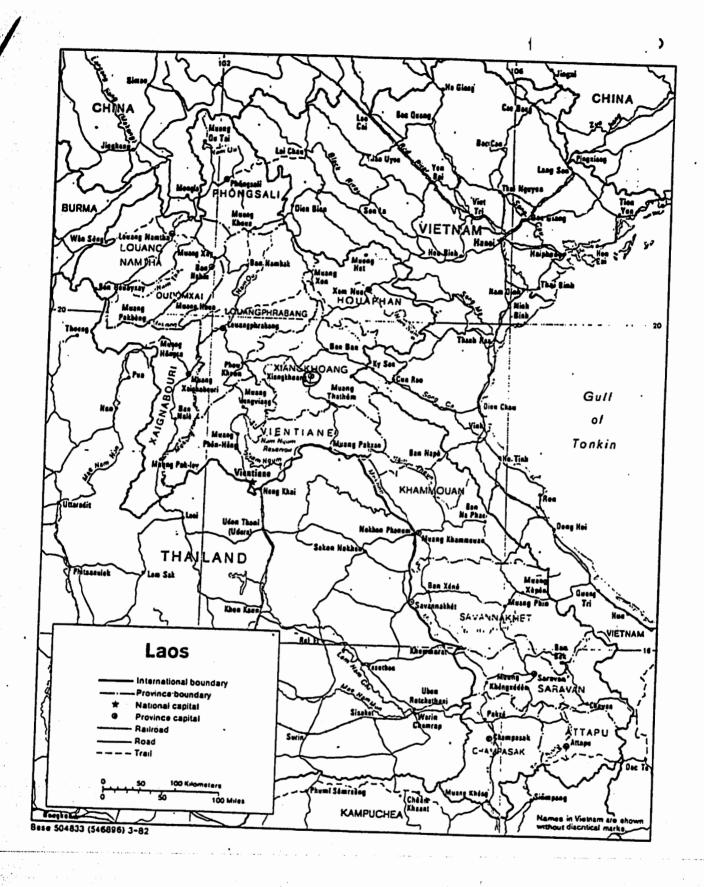
Director of Social Welfare

Deputy Director of Provincial Construction

Deputy Director of Foreign Relations

Provincial Hospital, Surgeon

APPENDIX B
MAP OF LAOS



**BEST AVAILABLE DOCUMENT** 

## APPENDIX C USAID/BANGKOK COMMENTS ON REPORT

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### U.S. AGENCY FOR INTERNATIONAL DEVELOPMENT, THAILAND REGIONAL SUPPORT MISSION FOR EAST ASIA

#### MEMORANDUM

DATE:

16 February 1994

FROM:

Susan Palmer M

TO:

Allen Randlov Jim Vermillion

SUBJECT:

Laos War Victims' Fund Assessment

CC:

Gene Morris Denny Robertson

The following memorandum is written by USAID Thailand RSM/EA in response to the November 1993 evaluation report of the War Victims' Fund (WVF) project in Laos. The purpose of the evaluation was to judge whether USAID supported activities for physically disabled war victims are well-suited to the purposes of the War Victims' Fund. A second purpose was to derive lessons and to gain perspective for a comprehensive assessment of the world-wide War Victims' Fund program.

The RSM encouraged this evaluation and assisted USAID/R&D/H in organizing the Laos assessment. The RSM/EA PVO Grants Manager participated in the evaluation. The resulting evaluation emphasizes the project management, rather than the technical aspects of the Laos prosthetics and rehabilitation activities. The evaluation team visited all of the project site locations.

Many of the issues discussed in USAID/R&D/H's evaluation report are included in the PVO grants officer's November 1993 USAID War Victims' Fund Grant Activity in Laos site visit report.

The RSM concurs with all of the evaluation recommendations except numbers 4,5,6 and 11.

In order to provide a more complete context for these grant activities, the RSM would like to make the following comments.

#### Purpose of War Victims' Fund Grant Activities

As this evaluation was a part of a world-wide effort to evaluate USAID's War Victims' Fund grants, the grant activities should have been evaluated within the context of

these vouchers will be approved by USAID so that these grant activities can continue without interruption.

World Vision agreed to submit a detailed grant implementation plan to USAID in early February. This implementation plan will be reviewed by USAID in both a legal and programmatic context. USAID will then make decisions on the eligibility and appropriateness of the proposed activities and respond to the implementation plan with a letter to World Vision.

The RSM appreciated the opportunity to participate in the evaluation and to receive feedback which can be used to guide future grant activities in Laos.